

Integrated Capital Management, Inc.

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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Integrated Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at 570-344-0100. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Integrated Capital Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Integrated Capital Management, Inc. is 149489.

Integrated Capital Management, Inc. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment dated March 18, 2014 there have been no material changes made to our Form ADV.

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Item 4 Advisory Business

Integrated Capital Management, Inc. is an SEC-registered investment adviser based in Scranton, Pennsylvania. We are organized as a corporation under the laws of the Commonwealth of Pennsylvania. We have been providing investment advisory services since 2009. Joseph Perfilio and Michael Paciotti are our principal owners.

As used in this brochure, the words "we", "our" and "us" refer to Integrated Capital Management, Inc. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

Investment Management

Through our investment management programs, we bring a new perspective to money management by providing the services of outsourced investment department to institutional investors, broker dealers, registered investment advisers, financial advisors and their clients. This perspective is deeply rooted in our experiences as practicing investment advisors and our connection to the institutional investment community.

Multi-billion-dollar investors have always had substantial advantages in the investment marketplace. We use our collective purchasing power, independence, objectivity and professionalism to deliver those same advantages to investors and advisors who choose not to assume the cost of a fully staffed investment department. By bringing the research intensive focus of the nation's largest institutional plan sponsors combined with the scalability of the Turnkey Asset Management Program structure our mission is to provide Clients with superior investment solutions seen only in the institutional investment community.

Our series of proprietary investment solutions are offered through managed money and private label programs using registered products such as mutual funds and exchange traded funds. Philosophically, we believe that while investor emotions influence prices and performance in the short run, in the long run valuations rule the day. By following a contrarian valuation oriented approach we attempt to add value through a series of quantitative investment models. By overweighting those opportunities that are inexpensive and underweighting those that are expensive, we believe that investors can reduce risk and enhance return over the course of a full market cycle. We have created a set of globally diversified investment solutions designed to address the ever changing needs of today's markets.

Our turnkey *Strategy Plus Portfolios*[®] consist of ten investor risk return profiles (individual fact sheets are available for all portfolio strategies). Examples include but are not limited to:

Strategy Plus Portfolios[®] *Standard Models*[®] consist of ten investor profiles ranging from very conservative to more aggressive equity only models for qualified investors and/or investors that are less sensitive to taxes. Investments decisions are made via our contrarian valuation driven approach where we seek to overweight inexpensive opportunities and underweight those that are expensive. Investments are limited to registered products only and can include both active and passive investments. Within these models we offer the Standard Model, the Mutual Fund Only Model, and the Standard Model with Alternative Investments.

Strategy Plus Portfolios[®] *Tax Sensitive Models* consist of ten investor profiles ranging from very conservative to more aggressive equity only models for non-qualified investors and/or investors that are more sensitive to taxes. Investments decisions are made via our contrarian valuation driven

approach where we seek to overweight inexpensive opportunities and underweight those that are expensive. Investments are limited to registered products only and can include both active and passive investments. While taxes are a consideration, they are not our first consideration.

Strategy Plus Portfolios® ETF Only consist of ten investor profiles ranging from very conservative to more aggressive equity only models for investors preferring an index based solution. While implementation is done via passive ETFs the program is not passive. Investment decisions are made via our contrarian valuation driven approach where we seek to overweight inexpensive opportunities and underweight those that are expensive. Investments are limited to registered products only and can include only passive ETFs.

Institutional Consulting Services

Our financial consulting service consists of institutional asset management consulting and/or money manager due diligence services provided to broker dealers, registered investment advisers, or other institutional investors. This service may also extend to cover the supervision, review and approval of fee based financial planning systems implemented through investment adviser representatives.

General Information

Investment recommendations are based on your financial situation at the time the services are provided, and on the financial information you provide to our firm. In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g. attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. You must promptly notify our firm if your financial situation, goals, objectives, or needs change. You are free to accept or reject any recommendation made by our firm.

Wrap Fee Program(s)

We are a portfolio manager to and sponsor of a wrap fee program, which is a type of investment program that provides clients with access to several professional in-house money managers and investment vehicles suitable for their financial circumstances and investment objectives. If you participate in our wrap fee program, you will pay our firm a single fee, which includes money management fees, and ticket charges. We receive a portion of the wrap fee for our services. You may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program.

If you participate in our wrap fee program, we will provide you with a separate Wrap Fee Program Brochure (also referred to as Part 2A - Appendix 1) explaining the program and costs associated with the program.

Types of Investments

We primarily advise on institutional class, no-load mutual fund shares and Exchange Traded Funds ("ETFs"). Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Assets Under Management

As of December 31, 2014, we provide continuous management services for approximately \$122,820,940 in client assets on a discretionary basis, and \$827,983,447 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

Investment Management - Standard Annual Advisory Fee Option

Our annual fee for investment management services is based on the market value of your assets under management and is calculated as follows:

Assets Under Management	Maximum Annual Advisory Fee
\$0 - \$500,000	2.00%
\$500,001 - \$1,000,000	1.75%
\$1,000,001 - \$3,000,000	1.50%
\$3,000,001 - \$5,000,000	1.25%
Over \$5,000,000	Negotiable

Our management fee is billed and payable quarterly in advance based on the value of your account on the last day of the previous calendar quarter. The first quarter's fees will be calculated on a pro rata basis, which means the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Fees are negotiable, depending on individual client circumstances. Increases in the annual fee are only effective upon your receipt of prior written notice. You are responsible for custodial fees and transaction costs.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

Either party may terminate the agreement at any time by providing written notice to the other party. If you terminate our services before the end of a calendar quarter, you will incur a pro-rata fee based on the number of days in the quarter that we managed your account. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Our fee schedule does not include the following separately billed fees, which we do not receive any part of: mutual fund expenses, trading and custodial costs. These fees will be separately charged by the relevant parties and you are responsible for paying these additional costs.

Institutional Consulting Services

Consulting services are negotiated in advance. Generally, we charge \$200 per hour; however, the fee may vary based on the scope of the engagement and the services requested. Hourly fees are paid quarterly in arrears. Alternate paying arrangements may be considered.

Additional Fees and Expenses

As part of our investment advisory services to you we may recommend that you invest in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage

fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this Disclosure Brochure.

Compensation for the Sale of Other Investment Products

Persons providing investment advice on behalf of our firm may be licensed as insurance agents. In this capacity, and on rare occasions, they may sell insurance products to clients of our firm. As a result these persons will earn commission-based compensation for selling insurance products. Insurance commissions earned by these persons are separate from our advisory fees. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Item 6 Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Item 7 Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, municipal or government agencies, other investment advisers, insurance companies, broker/dealers, corporations and other business entities. In general, we require \$25,000 minimum dollar amount to open and maintain an advisory account. However, we will evaluate each relationship on a case-by-case basis and determine in our sole discretion whether to accept your account or not. We also reserve the right to terminate an account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Quantitative Contrarian Regression Model** - identifies underpriced assets by analyzing fundamental data using quantitative techniques. Quantitative techniques are used to identify mispriced macro-level opportunities such as, but not limited to, broad asset classes and/or sectors.
- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risks Associated with Methods of Analysis and Investment Strategies

The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

The risk of quantitative analysis is that our valuation-based models may prematurely indicate that an asset class/sector is attractively valued, leading to unfavorable performance. This could occur under a scenario where investors are focused on short-term fear and momentum, rather than long-term fundamentals.

In our investment research we use fundamental data synthesized through quantitative investment models. By doing this our goal is to glean an understanding of asset valuations relative to other assets and to historical valuations. The information is used to overweight inexpensive assets and underweight expensive assets. Owning inexpensive assets in no way guarantees against loss or promises future gain. By participating in capital markets you are exposed to normal market risk factors.

Tax Disclosures

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional prior to and throughout the investing of your assets.

As a result of revised IRS regulations, custodians will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the HCFO (High Cost-First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as tax law requires that the cost basis method remain unchanged after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. You understand that our investment recommendations for your account are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

We primarily recommend Institutional Class, no-load mutual funds and exchange traded funds for our clients. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of

investment, risks can vary widely. However, in very general terms, the higher the potential return of an investment, the higher the risk of loss associated with it. You should be advised of the following risks when investing in these types of securities:

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Item 9 Disciplinary Information

Integrated Capital Management, Inc. has been registered and providing investment advisory services since 2009. Neither our firm nor any of our Associated Persons have any reportable disciplinary information under this item.

Item 10 Other Financial Industry Activities and Affiliations

Insurance Licenses

Persons providing investment advice on behalf of our firm may be licensed as insurance agents. In this capacity, and on rare occasions, they may sell insurance products to clients of our firm. As a result these persons will earn commission-based compensation for selling insurance products. Insurance commissions earned by these persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

Arrangements with Affiliated Entities

Joseph Perfilio, President of our firm, is the owner of another registered investment adviser, Clayton Perfilio, Ltd., ("CPL"). Our advisory services are separate and distinct from the fees paid to CPL for their services.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Description of Code of Ethics

We have adopted a Code of Ethics that sets the standard of conduct expected to comply with applicable securities laws. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. We adhere strictly to these guidelines. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account

holdings by persons associated with our firm. Clients or perspective clients may contact us at the telephone number on the cover page of this Disclosure Brochure to request a copy of our Code of Ethics.

Participation or Interest in Client Transactions

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we may have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment. We have also adopted a written Code of Ethics designed to prevent and detect personal trading activities that may interfere or be in conflict with client interests, as discussed above in this section.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Item 12 Brokerage Practices

We maintain relationships with several broker-dealers. While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We participate in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the Program.

As disclosed above, we participate in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research

related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Block Trades

We typically combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays a transactions fee. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Item 13 Review of Accounts

We monitor client portfolios as part of an ongoing process while regular account reviews are conducted at least quarterly. You are encouraged to discuss your needs, goals, and objectives with our firm, and to keep us informed of any changes in this information. Additional reviews may be conducted at your request, or based on various circumstances, including, but not limited to, changes in your individual circumstances, economic conditions, general factors affecting the stock market, etc.

Personnel currently performing reviews are typically the investment adviser representative assigned to your account. The individuals conducting reviews may vary from time to time, as personnel join or leave our firm. Our CCO has overall supervision of the activities of the investment adviser representatives and will ensure that proper account reviews are being conducted.

You will receive transaction confirmations and quarterly statements from your account custodians. Collectively, these reports will list your account holdings, account value, account activity, and advisory fees paid to our firm.

Item 14 Client Referrals and Other Compensation

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

We may directly compensate consultants, individuals, and/or entities (Solicitors) for client referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Solicitor expires or a one-time, flat referral fee upon your signing an advisory agreement with our firm. You will not pay additional fees because of this referral arrangement.

Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms. Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements.

Item 15 Custody

We do not take physical custody of your funds or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. We may have the authority to deduct our advisory fees from your account, but only if you previously consented to such deduction in writing.

As paying agent for our firm, your independent custodian may directly debit your account(s) for the payment of our advisory fees, but only if you previously consented to such deduction in writing. This authority to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Under certain circumstances, and only at our client's request, we may wire money on our client's behalf. We maintain agreements with certain clients via the client's custodian to only wire money to a like titled account, which our client controls, or to a specific list of third party vendors authorized by our client's signature with the account custodian. Neither our firm nor any of our Associated Persons have the ability to affect third party disbursements without client authorization.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our investment management agreement. If you engage us to provide Investment Advisory Services on a discretionary basis, we have the authority to determine the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advise provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

Without exception, we will not vote proxies on behalf of your advisory accounts.

Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Requirements for State-Registered Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Item 20 Additional Information

Trade Errors

In limited circumstances, we may make an error in submitting a trade on your behalf. In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a loss, we will reimburse you or otherwise ensure that your account is made whole.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

Privacy Policy

We view protecting our customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach Bliley Act we have instituted policies and procedures to ensure that customer information is kept private and secure.

We do not share or disclose your information to nonaffiliated third parties except as permitted or required by law. We are committed to safeguarding the confidential information of our Clients. We hold all personal information provided by our Clients in the strictest confidence and it is the objective of our firm to protect the privacy of all Clients. Except as permitted or required by law, we do not share confidential information about our Clients with nonaffiliated parties. In the event that there were to be a

change in this policy, we will provide you with written notice and you will be provided an opportunity to direct us as to whether such disclosure is permissible. We will deliver a copy of our privacy policy to you on an annual basis.

To conduct regular business, we may collect personal information from sources such as:

- Information reported by you on applications or other forms you provide to our firm;
- Information about your transactions implemented by others and viewable by our firm;
- Information developed as part of analyses or investment advisory services.

To administer, manage, service, and provide related services for your account(s), it is necessary for us to provide access to your information within the firm and to nonaffiliated companies with whom we have entered into agreements with. To provide the utmost service, we may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on our behalf.

In providing the contracted services, we may disclose the following information:

- Information we receive from you on applications (name, social security number, address, assets, etc.);
- Information about your transactions with our firm or others (account information, payment history, parties to transactions, etc.);
- Information concerning investment advisory account transactions;
- Information about your financial products and services with our firm.

How We Protect Information

We maintain the confidentiality of the information that you provide. We protect your information by attempting to meet all laws setting forth procedures for providing physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information. All people who work for our firm are trained to handle your information properly in order to maintain its security. We also restrict access to personal information about our Clients to only those employees who need such information to provide service(s) to you. We maintain physical, electronic, and procedural safeguards that comply with industry standards to guard your personal information. We do not sell or market Clients' or prospective Clients' personal information to third parties. We do not disclose any information about our Clients or former Clients to anyone, except as needed by our service providers (e.g., broker, accountants, attorneys and auditors) or as required by law.

Changes in Privacy Policy

We may modify our policy at any time. We will notify our current Clients of any modifications.

Questions

Please contact Joseph C. Perfilio, President and Chief Compliance Officer, if you have any questions about the contents of this Disclosure Brochure at 570-344-0100.